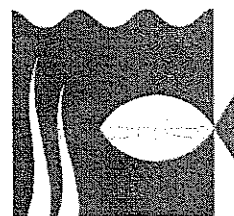


**Connecticut Fund
for the Environment**



Save the Sound®
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Connecticut Fund for the Environment

Energy & Technology Committee
Public Hearing
February 10, 2011

Submitted by: Charles J. Rothenberger, Staff Attorney

In Support Of:

Proposed Bill No. 255 AN ACT CONCERNING SOLAR RENEWABLE ENRGY CREDITS.

Connecticut Fund for the Environment ("CFE") is Connecticut's non-profit environmental advocate with over 6,500 members statewide. For over thirty years, CFE has fought to protect and preserve Connecticut's health and environment.

Senator Fonfara, Representative Nardello and members of the Energy & Technology Committee, Connecticut Fund for the Environment is pleased to offers this testimony in support of Proposed Bill No. 255, An Act Concerning Solar Renewable Energy Credits.

New Jersey is one of the fastest growing markets for solar photovoltaics in the United States and one of the largest in terms of installations and installed capacity, second only to California. Much of this success has been attributed to New Jersey's Solar Financing Model, which relies on high renewable energy standards and the use of Solar Renewable Energy Certificates (SRECs).

How do SRECs work?

Each time a system generates 1,000 kWh of electricity, an SREC is earned and placed in the customer's electronic account. SRECs can then be sold on the SREC tracking system, providing revenue for the first 15 years of the system's life.

As in Connecticut, electricity suppliers in New Jersey, the primary purchasers of SRECs, are required to pay a Solar Alternative Compliance Payment (SACP) if they do not meet the requirements of New Jersey's Renewable Portfolio Standards. One way that electric suppliers in New Jersey can meet their RPS requirements is by purchasing SRECs. As SRECs are traded in a competitive market, the price may vary significantly, with the actual price of an SREC during a trading period fluctuating depending on supply and demand. Over the course of the New Jersey program, prices have ranged from \$150 to \$700/MWh.

In conclusion, CFE believes that establishment of an SREC program can play an important role in spurring greater deployment of distributed solar resources in Connecticut and fully supports Proposed Bill 255.